

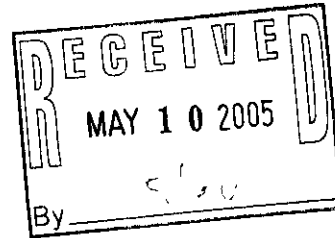
Ho-Chunk Housing & Community Development Agency

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April 26, 2005

Robert E. Feldman, Executive Secretary
Attention: Comments
Federal Deposit Insurance Corporation
550-17th St. NW
Washington, DC 20429
RE: RIN 3064-AC89



Dear Mr. Feldman:

On behalf of Ho-Chunk Housing and Community Development Agency and the Ho-Chunk Nation, I urge you to enhance your proposed changes to Community Reinvestment Act (CRA) regulations, so that banks do not reduce their number of available branches and community-development loans and investments to low- and moderate-income communities, within which reside most Ho-Chunk Nation members. Your proposal is an improvement on the one issued last fall, but serious issues remain for us.

I am pleased that you have dropped your proposal to allow mid-sized banks with assets between \$250 million and \$1 billion to offer either community-development loans, investments, or services; since banks must be expected to engage in all three of these essential community-development activities in order to pass their CRA exams, as your current proposal correctly requires. I still believe that the current exam structure of separate lending, investment, and service tests is the most effective structure for maximizing community-development financing. If you were to move to a new exam format, you would need to insure that significant declines in community-development financing did not occur. You could compare past levels of community-development financing to the levels after any changes to the CRA exam structure, so that banks would be penalized if they were to significantly decrease their level of community-development activities.

The role of investment in communities cannot be overstated. Investments in affordable housing and economic development build wealth for families and communities, including our tribal families and communities, and thus open up new markets for bank lending and services. The importance of investments is one important reason why you must carefully develop any final proposal regarding the CRA exam structure.

I am also concerned that deleting a separate test for services will result in CRA exams' no longer holding mid-sized banks accountable for the provision of bank branches and low-cost accounts in low- and moderate-income communities. Payday lending and other high-cost credit has increased in my community in the last several years. The last thing that we need on top of this is a change to CRA exams that do not examine the number of bank branches in traditionally underserved communities. Please add the provision of bank branches as a specific factor on your proposed CRA exams for mid-sized banks.

I also urge you to drop your proposal to eliminate requirements regarding the public disclosure of data on community development and small-business and farm lending. Mid-sized banks are vital in many communities, particularly in medium-sized cities and rural communities. The only means of holding such banks accountable

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for the provision of credit to small firms and for affordable housing and community development is to insure that CRA data remains publicly available. The public, as well as regulatory agencies, will have no way systematically to measure the responsiveness of these banks to critical community credit needs if you eliminate public disclosure of this data.

In addition, I feel that it is imperative that you not change the requirement that community development in rural areas must benefit low- and moderate-income areas and distressed communities. And, I urge you to apply your revised test only to banks with assets between \$250 million and \$1 billion. If you were to employ an inflation factor each year to increase the number of banks that are subject to the new and abbreviated CRA exam, you would reduce the range of bank financing and services within the communities that need them the most.

Thank you for your consideration of my comments

Sincerely,

A handwritten signature in cursive script, appearing to read "Paul Tysse".

Paul Tysse
Grant Writer

cc: National Community Reinvestment Coalition